

# Public Forum

## Overview of the Proposed Transaction between Exeter Health Resources and Beth Israel Lahey Health

Kevin Callahan, President & Chief Executive Officer, Exeter Health Resources  
Kevin Tabb, MD, President and Chief Executive Officer, Beth Israel Lahey Health  
May 18, 2022



# Welcome and Introductions

## Welcome

Mark Whitney

*Vice President Strategy, Community Relations & Advancement Exeter Health Resources*

## Tonight's Goals

- Share the reasons behind the need for Exeter Health Resources (Exeter) to join a larger health system
- Provide the community an opportunity to learn more about Exeter Health Resources' intent to join Beth Israel Lahey Health (BILH) as a "first tier" health system
- Introduce BILH and its shared vision for New Hampshire
- Solicit questions and comments in advance of Exeter's Board of Trustees considering the proposal and the initiation of regulatory review by the State of New Hampshire's Attorney General's Office, the Office of Charitable Trusts, the State of Massachusetts and the Federal Trade Commission

## Agenda

- An overview of Exeter's proposal to join BILH: Kevin Callahan (25 minutes)
- An introduction to BILH; the vision for Exeter Health Resources and their vision for New Hampshire: Kevin Tabb (15 minutes)
- Summary of the proposed transaction: Kevin Callahan (15 minutes)
- Open questions and answers using the chat function: (30 minutes)

# **An Overview of Exeter's Proposal to Join BILH**

Kevin Callahan, President & Chief Executive Officer, Exeter Health Resources

# Where Are We in the Process?

**A non-binding Letter of Intent (LOI) has been signed** by Exeter Health Resources, Inc. including its operating affiliates; Exeter Hospital, Core Physicians, and Rockingham Visiting Nurse Association & Hospice (Exeter), and Beth Israel Lahey Health (BILH) **to further explore the opportunity for Exeter to join BILH.**

This was the **first step** toward reaching a definitive agreement intended to strengthen, enhance and expand local access to high quality care in New Hampshire.

# Why Join Another Health System?

Continue our 125 history of finding innovative ways to provide patient-centered care in NH

Allow our health system to continue to thrive as a health care provider and employer and to evolve to meet changing health care needs – enable us to achieve our aspirations – sustain our mission – avoid a future full of constraints where our ability to serve our community is reduced

**All of which can only be accomplished through integration into a larger health system**

# How Did Exeter Seek a Health System Partner?



## EXETER DRIVEN PROCESS

Exeter engaged in a **year-long, Board-driven, comprehensive, competitive process seeking a fully integrated partnership** by engaging and evaluating multiple health care systems in NH, across New England and beyond.

# What Did Our Board Look for From an Affiliation?

**Positively and Demonstratively Build Upon Our Existing System:**



# Why Choose BILH?

## Its Mission

- Not for profit, community centric, value driven
- Create healthier communities, advance excellence and quality, foster innovation

## Its Scale

- Substantially increased access to capital
- Willingness and capability to invest
- Ability to support expanded innovation

## Its Culture

- Patient first focus
- Supportive of independent medical practices
- Creative / professionally accessible / collaborative
- As a system of care, BILH looks a lot like Exeter

## Its Capacity

- Community hospital network
- Outstanding specialty care
- Demonstrated commitment to primary care and behavioral health
- Harvard teaching

## Its Vision

- Vision to bring more high-quality services and more health care choices to NH
- Establish Exeter as their premier location in NH
- Invest in NH: people, services, capacity and capabilities



# **An introduction to BILH and its vision for Exeter Health Resources and New Hampshire**

Kevin Tabb, MD, President and Chief Executive Officer, BILH

# BILH's Vision and Foundational Commitments

**we will  
measure  
success by  
the difference  
we make  
in people's  
lives.**



Beth Israel Lahey Health

## An integrated healthcare system committed to:

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Providing **extraordinary care** close to where our patients live and work



Investing in and **strengthening local and community-based care**



Advancing the science and practice of medicine by investing in **transformative research and education**

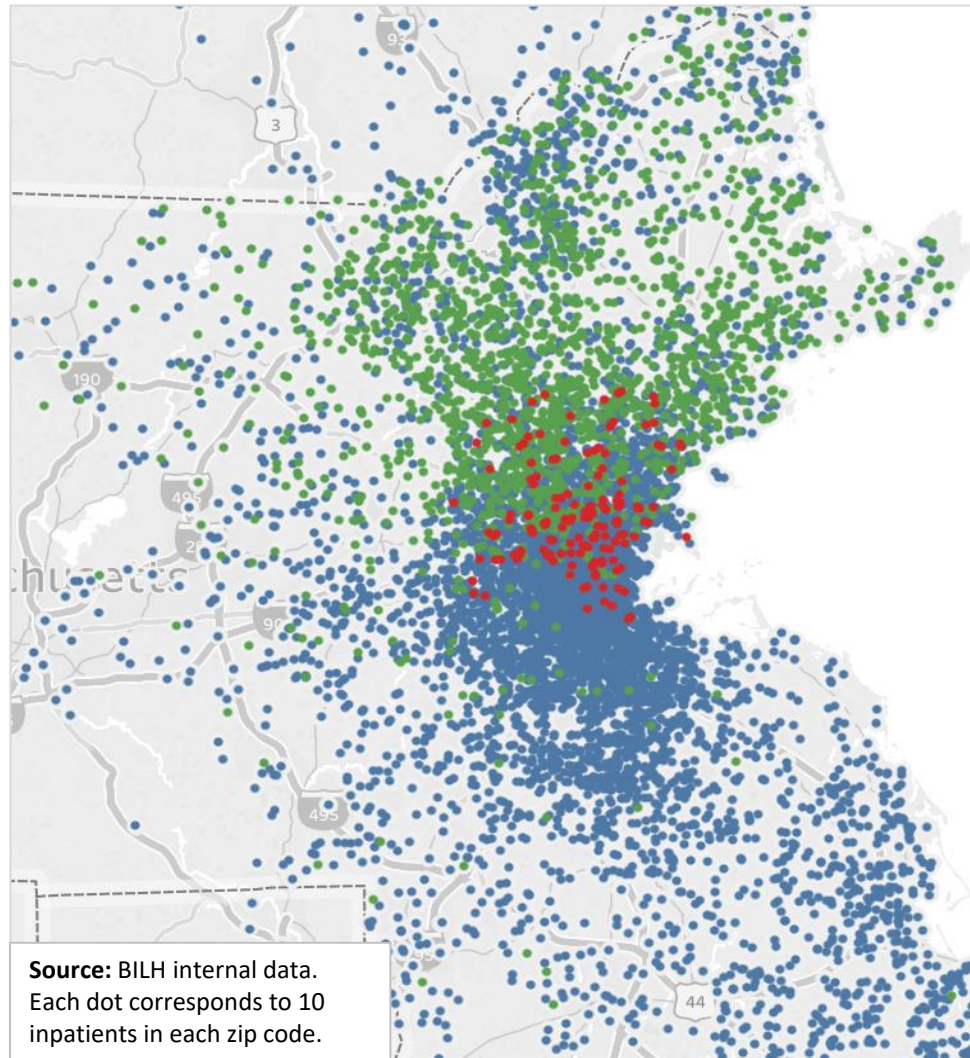


Working to **keep our patients healthy** and care for them **in their communities**








Embracing a new model of care that helps **contain rising healthcare costs**

# BILH System Overview



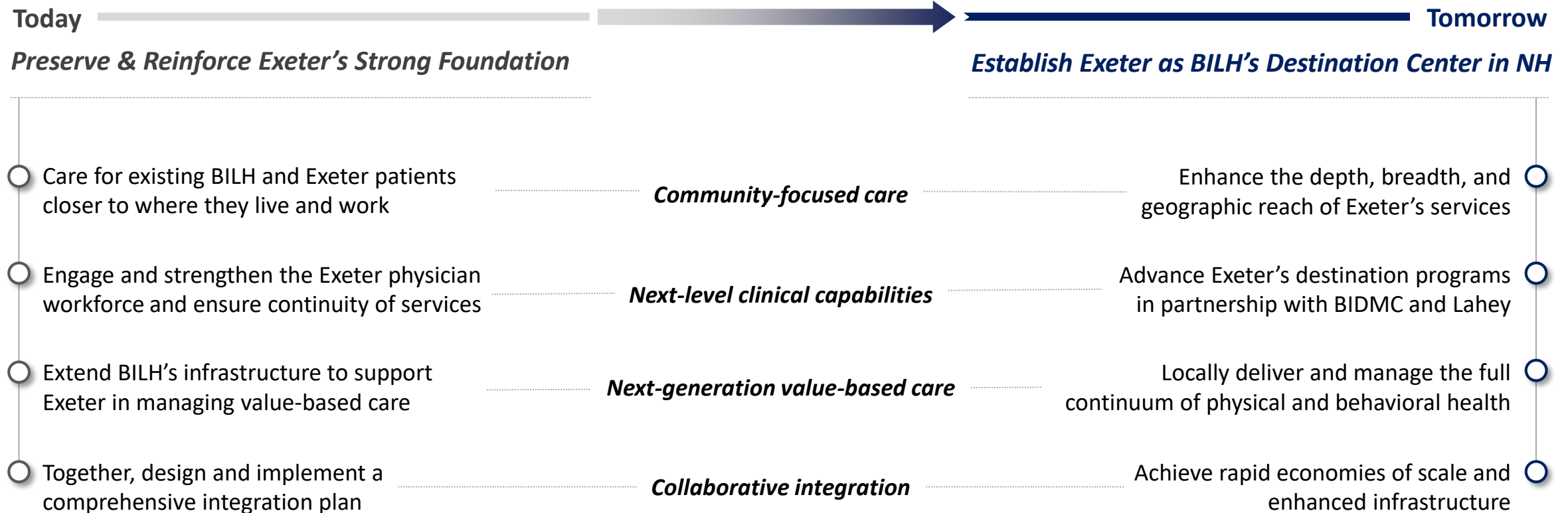
Network	Hospitals	13
	Major Ambulatory Facilities	25
	Employees	35,000
	Operating Revenue	\$6.2 billion
	Community Benefits Investment	\$124 million
Patient Care	Patients	1.6 million
	Performance Network Physicians	5,000
	Nurses	9,000
Research & Training	Doctors in Training	2,300
	Active Clinical Trials	2,776
	Research Funding	\$290 million

# What Makes BILH Different?

-  Track record of growing community health systems
-  Unique balance of tertiary and community care
-  The high-value integrated health system in Eastern Massachusetts
-  Commitment to innovation and transformation in building towards health care of the future
-  System and local governance designed to support an integrated system of care

# Why Are We interested in Exeter Joining Us?

*We envision a partnership that builds on our shared commitment to community-focused, value-based care to establish Exeter as BILH's destination center in New Hampshire*



# Summary of the Proposed Transaction

Kevin Callahan, President & Chief Executive Officer, Exeter Health Resources

# What Will Happen if the Proposal is Approved?

## Exeter would join BILH and BILH will become the sole corporate member of Exeter Health Resources

- Exeter's existing structure would stay the same
- Exeter and its existing operating affiliates will remain not-for-profit
- Exeter Health Resources will become a "first tier" entity of BILH
- The integration will include all assets, liabilities and operations associated with Exeter

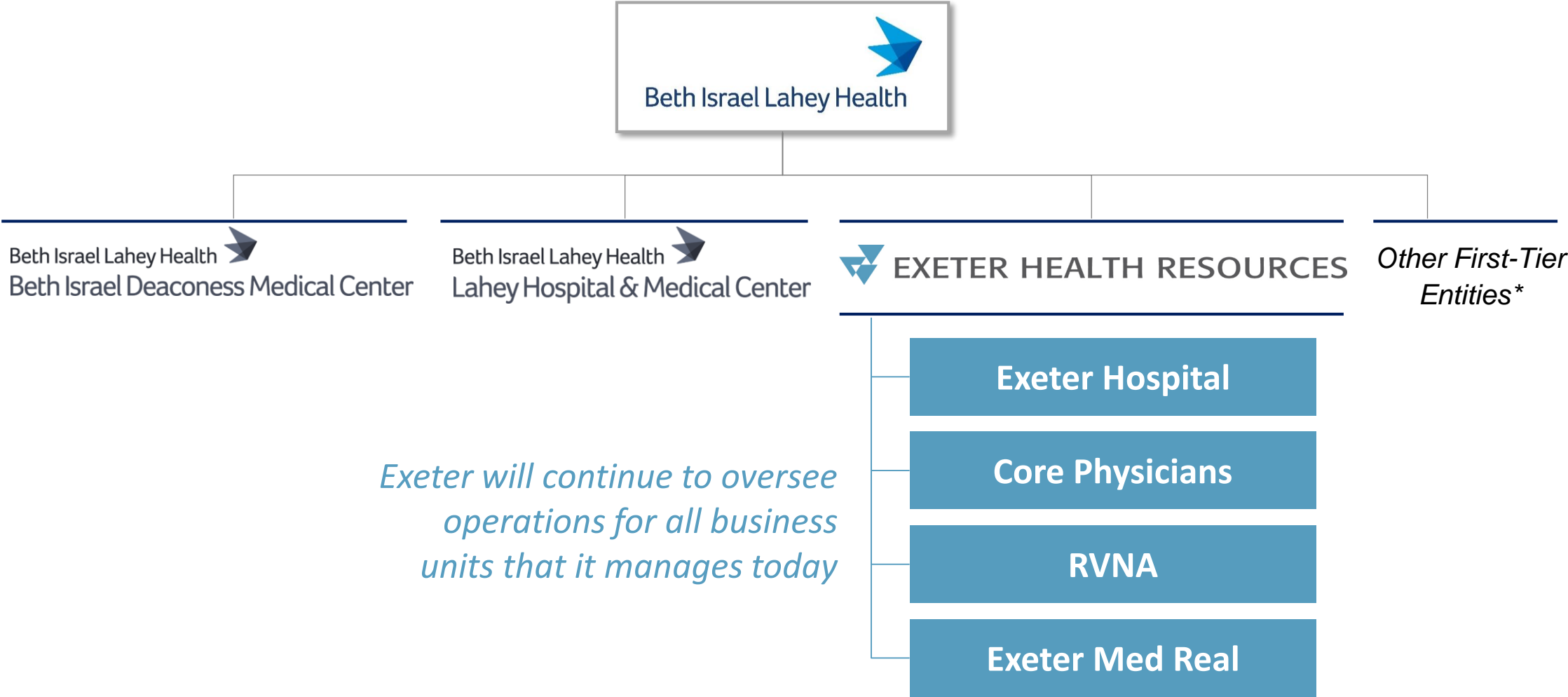
## The Local Board will remain engaged to provide meaningful input

- Exeter will maintain a local Board with a consistent number of trustees as the current Exeter Board
- Future Trustees will be persons who are members of communities served by Exeter
- BILH would have one representative on the EHR Board

## Exeter representation on the BILH Board

- Exeter will have one representative on the BILH Board for a period of 6 years







# How Would Exeter Fit into the BILH System?





# A Local Board with Meaningful Input

Under the oversight of the BILH system Board, Exeter's local Board will continue to have meaningful oversight and/or input related to:

-  Ongoing operations
-  Reviewing and recommending strategic plans and operating/capital budgets
-  Philanthropy
-  Recommending appointment of Exeter trustees
-  Recommending appointment of Exeter Representative to BILH Board,
-  Local community benefit funding

# What Are the Key Elements of the Proposed Transaction?

- ✓ Our Local Board will maintain meaningful oversight and input
- ✓ BILH will make an overall \$375 million capital investment over 10 years
- ✓ Existing Board designated funds stay in Exeter
- ✓ BILH will maintain and grow access to clinical services
- ✓ Exeter medical staff will continue its long tradition as a community partner
- ✓ Exeter's employees will be supported
- ✓ No short-term impact to existing clinical affiliations

# What Are We Seeking to Accomplish Together?



- Long-standing history and strength in New Hampshire
- Clinical excellence supported by a well-aligned physician platform
- Financial strength and sustainability
- Unwavering commitment to community and local care



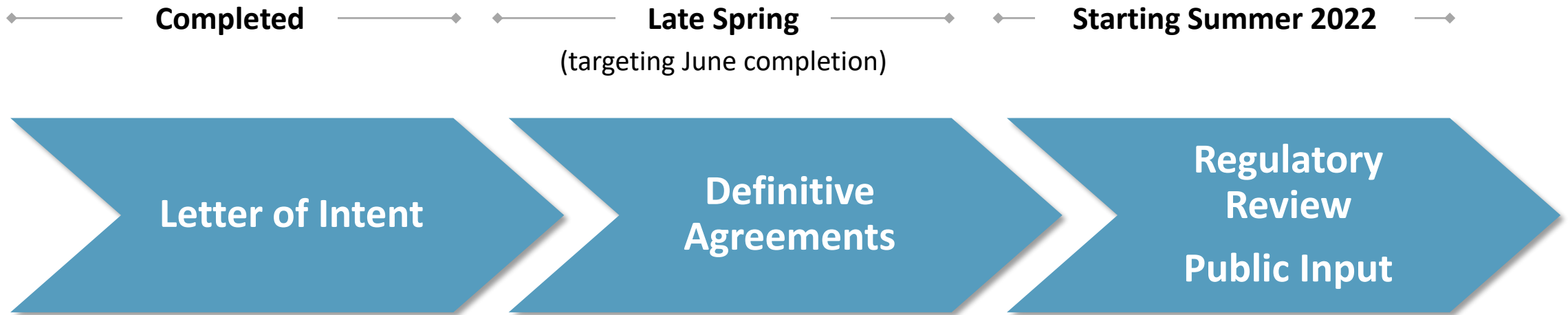
- Track record of growing community health systems
- Unique balance of hospital and specialty care in the community, along with primary care and behavioral health
- Commitment to innovation and transformation in building towards healthcare of the future
- System and local governance designed to support an integrated system of care

Together, we have an opportunity to establish Exeter as BILH's destination center in New Hampshire, backed by our shared values, complimentary and aligned cultures, and commitment to elevating the health and well-being of our communities

# Why are Exeter and BILH an ideal match?

- 1 Upon joining BILH, Exeter will be BILH's only health system in NH
- 2 BILH is highly community focused and Exeter will remain highly community focused
- 3 BILH successfully collaborated with regulators to design a system that increases access, sustainability, and helps contribute to managing health costs
- 4 BILH is bringing significant new investment to NH through Exeter
- 5 Exeter will be a "first tier" organization – an equal voice

# Timeline & Next Steps



- Due Diligence
- Agreement Development
- Public Input

Please submit questions via:

chat

text 603-997-2292

or e-mail Dvasapolli@ehr.org

Questions or comments can also be submitted on the Exeter Hospital webpage at [www.exeterhospital.org](http://www.exeterhospital.org)